

# TIP

## Tax Information Publication

TIP 06A01-03  
Date Issued:  
May 1, 2006

### Hurricane Preparedness Sales Tax Holiday

May 21 through June 1, 2006

Florida law provides that no sales tax or discretionary sales surtax (also known as a local option sales tax) will be collected on the sale or purchase of certain items related to hurricane preparedness for the period beginning 12:01 a.m., Sunday, May 21, 2006, and ending at midnight, Thursday, June 1, 2006.



This special sales tax holiday **DOES NOT** apply to clothing, books, or school supplies.

The sales tax exemption applies to each eligible item, regardless of the number of items sold on the same invoice to a customer. **If the sales price of a qualifying item exceeds the allowable threshold amount (listed below) this tax exemption will not apply and the total purchase price is subject to tax.** The exemption **DOES NOT** apply to the leasing of a qualified item.

The following items are specifically identified as being eligible for this special sales tax holiday for hurricane preparedness:

#### Qualifying items selling for \$10 or less:

- Blue ice or those items sold as artificial ice

#### Qualifying items selling for \$20 or less:

- Any portable self-powered light source
- Battery-powered flashlights
- Battery-powered lanterns
- Gas-powered lanterns (including propane, kerosene, lamp oil, or similar fuel)
- Tiki type torches
- Candles

#### Qualifying items selling for \$25 or less:

- Any gas or diesel fuel container (including LP gas and kerosene containers)

#### Qualifying items selling for \$30 or less:

- Batteries, including rechargeable (listed sizes **only**)
  - AAA-cell
  - AA-cell
  - C-cell
  - D-cell
  - 6-volt (excluding automobile and boat batteries)
  - 9-volt (excluding automobile and boat batteries)
- Coolers (food-storage; non-electrical)
- Ice chests (food-storage; non-electrical)

#### Qualifying items selling for \$40 or less:

- Any cell phone charger

#### Qualifying items selling for \$50 or less:

- Radios (self-powered or battery-powered)
- Two-way radios (self-powered or battery-powered)
- Weather band radios (self-powered or battery-powered)
- Tarpaulins (tarps)
- Visqueen, plastic sheeting, plastic drop cloths, and other flexible waterproof sheeting
- Ground anchor systems
- Tie-down kits (items that are advertised or normally sold as a tie-down or anchoring kit)
- Bungee cords
- Ratchet straps

#### Qualifying items selling for \$60 or less:

- Any cell phone batteries

#### Qualifying items selling for \$75 or less:

- Any carbon monoxide detectors
- Any package consisting of two or more of the previously listed qualifying hurricane-preparedness items sold for \$75 or less will qualify for the exemption.
- Any package consisting of one or more of the previously listed hurricane-preparedness items and at least one other item that is otherwise tax-exempt and the package is sold for \$75 or less will qualify for the exemption.

#### Qualifying items selling for \$200 or less:

- Storm shutter devices (defined as materials and products specifically manufactured, rated, and marketed for the purpose of preventing window damage from storms)

#### Qualifying items selling for \$1,000 or less:

- Portable generators that will be used to provide light, communications, or to preserve perishable food in the event of a power outage.

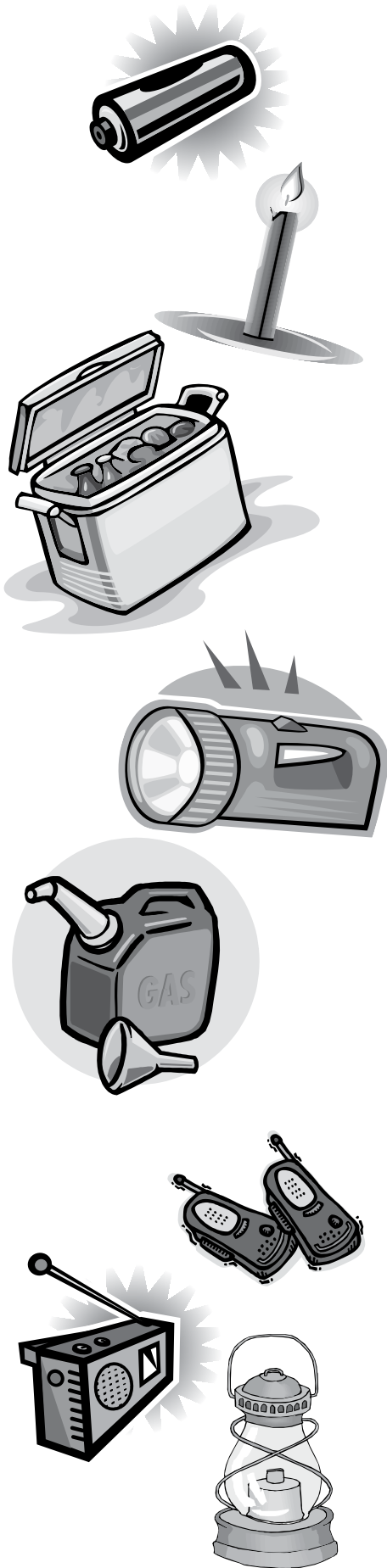
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#### Note:

Battery-powered or gas-powered light sources and qualifying portable self-powered radios will qualify for the exemption even though they may have electrical cords.



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This exemption does not apply to sales of items within a theme park, entertainment complex, a public lodging establishment, or airports.

**“Theme park or entertainment complex”** means a complex comprised of at least 25 adjacent acres owned and controlled by the same business entity and which contains permanent exhibitions and a variety of recreational activities and has a minimum of one million visitors annually.

**“Public lodging establishment”** means any unit, group of units, dwelling, building, or group of buildings within a complex of buildings, which is rented to guests more than three times in a

calendar year for periods of less than 30 days or one calendar month, whichever is less, or which is advertised or offered to the public as a place regularly rented to guests.

**“Airport”** means any area of land or water, or any man-made object or facility located thereon, which is used, or intended for use, for the landing and takeoff of aircraft, and any attached areas which are used, or intended for use, for airport buildings or other airport facilities or rights-of-way, together with all airport buildings and facilities located thereon.

## Applying the Hurricane Preparedness Sales Tax Holiday

**Articles that are normally sold as a unit** may qualify for the tax exemption provided the individual items are specifically listed as tax exempt **and** the price of the package is \$75 or less.

**Example 1:** A multi-battery package sells for \$35. The package contains an assortment of AAA, AA, C, and D cell batteries. The battery package can be rung up at the register as a package and still qualify for the tax exemption since the sales price of the package containing qualifying items is less than \$75.

**Example 2:** A ground tie-down kit with 4 tie-downs and related accessories sells for \$100. The kit cannot be rung up as 4 different packages in order for each to qualify for the exemption.

When tax-exempt hurricane-preparedness items are sold together with items that are normally tax-exempt as a single set, unit, product, or package, and the package sells for \$75 or less, the entire package qualifies for the exemption.

**Example:** A package sells for \$55 which contains a cooler and a 24-pack of bottled water. Since this package contains one item that qualifies for the hurricane preparedness tax exemption (a non-electrical cooler) and one item that is normally tax-exempt (bottled water) and the package sells for \$75 or less, this transaction will be tax exempt during the Hurricane Preparedness Sales Tax Holiday Period.

When a package contains tax-exempt hurricane-preparedness items and it also contains taxable items that do not qualify for the hurricane-preparedness sales tax holiday, the full sales price of the package is subject to sales tax.

**Example 1:** Four AA rechargeable batteries are sold in a package that includes a battery charger for \$25. Although the batteries would qualify for this exemption if sold separately, the battery charger would **NOT** qualify because it is not listed as a qualifying tax exempt item. The full selling price of \$25 is taxable.

**Example 2:** A flashlight is sold with a travel mug as a package. Although the flashlight would qualify for the exemption if sold separately, the travel mug would **NOT** qualify because it is not listed as a qualifying tax exempt item. The full selling price of the flashlight and mug package is taxable.

The total price of items advertised as **“buy one, get one free,”** or “buy one, get one for a reduced price,” cannot be averaged together in order for both items to qualify for the exemption.

The sale of a **gift certificate/card** is not taxable. Eligible items purchased during the exemption period using a gift certificate/card will still qualify for the exemption, regardless of when the gift certificate/card was purchased. Eligible items purchased after the exemption period using a gift certificate/card are **taxable** even if the gift certificate/card was purchased during the exemption period. A gift certificate/card **CANNOT** be used to reduce the selling price of an item in order to qualify for the exemption.

When a customer purchases a qualifying item during the exemption period, then later **exchanges** the item for the same item, no tax will be due, even if the exchange is made after the exemption period.

When a customer uses a **store credit** during the exemption period on qualified tax-exempt items, the purchase will be exempt from sales tax. When a customer uses a store credit issued during the exemption period and the tax-exempt period has expired, the appropriate sales tax will apply to the full sales price of the newly purchased item.

**A customer who pays sales tax to a retailer on a qualifying item when no tax is due must secure a refund of the tax from the retailer and not from the Department of Revenue.**

When a customer returns a qualifying item during the period of June 2, 2006, through August 31, 2006, and wants a **refund/credit** for tax paid:

- The customer must produce a receipt or invoice showing tax was paid on the original purchase of the qualifying item, **or**
- The retailer must have sufficient documentation to show that tax was paid on the original purchase of the qualifying item.

**Manufacturer's coupons** do **not** reduce the sales price of an item. Therefore, a manufacturer's coupon cannot be used to reduce the selling price of a qualifying item in order for the item to qualify for the exemption.

**Store coupons** and discounts **do** reduce the sales price of an item. Therefore, a store coupon or discount can be used to reduce the sales price of a qualifying item to the "allowable threshold amount" in order for the item to qualify for the tax exemption.

**Rebates** occur after the sale and do not affect the sales price of an item purchased.

Eligible items purchased during the exemption period using a rain check will qualify for the exemption regardless of when the **rain check** was issued. However, issuance of a rain check during the exemption period will not qualify an eligible item for the exemption if the item is actually purchased after the exemption period.

A **layaway** sale is a transaction in which merchandise is set aside for future delivery to a customer who makes a deposit, agrees to pay the balance of the purchase price over a period

of time, and receives the merchandise at the end of the payment period. For purposes of this exemption, qualified items will be eligible for the exemption if a retailer and a customer enter into a contract for a layaway sale during the exemption period, the customer makes the usual deposit in accordance with the retailer's layaway policy, and the merchandise is segregated from the retailer's inventory. If the final payment on a layaway order is made and the merchandise is given to the customer during the exemption period, that sale of qualified items **will be** eligible for the exemption, even when the qualified items were placed on layaway before the exemption period.

**Rental** of any of the items specified in this publication does **not** qualify for an exemption.

For purposes of this exemption, eligible items purchased by **mail order** (including transactions made over the Internet) will receive the exemption if the order is accepted by the mail-order company during the exemption period for immediate shipment. When the acceptance of the order by the mail-order company occurs during the exemption period, the exemption will apply even if delivery is made after the exemption period.

- An order is **accepted** by the mail-order company when the mail-order company has taken an action to fill the order for immediate shipment. Actions to fill an order include placing an "in-date" stamp on a mail-order or assigning an "order number" to a telephone order.
- An order is considered to be for **immediate shipment** when delayed shipment is not requested by the customer. An order is for immediate shipment notwithstanding that the shipment may be delayed because of a backlog of orders or because stock is currently unavailable to, or on back order by, the company.

**Shipping and handling charges** are included as part of the sales price of the eligible item, whether or not separately stated. If multiple items are shipped on a single invoice, to determine if any items qualify for the exemption, the shipping and handling charge must be proportionately allocated to each item ordered and identified separately on the invoice.

**Repairs** to qualifying items do not qualify for the exemption.

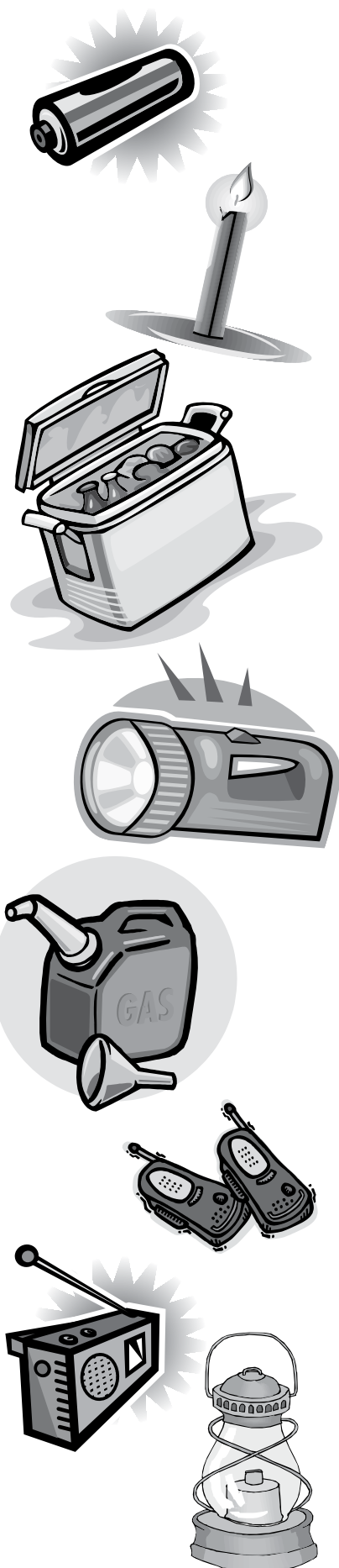
## For Bay County Dealers Only

Panama City and Panama City Beach impose upon retailers a merchant's license fee or similar gross receipts tax or fee, which may be passed on to the customer. The merchant's license fee is included in the sales price of each item whether or not the fee is separately stated on the invoice.

**Example:** An ice chest (non-electrical type) sells for \$29.95. The separately stated 1% gross receipts fee for this item is \$0.30. Since the gross receipts fee is part of the sales price of the item (\$30.25), the cost of the ice chest exceeds the allowable threshold amount and, therefore, **will not** qualify for the tax exemption.

**For your convenience, the next page was designed to be removed for posting. Retailers may copy and post the list of tax-exempt items at store locations to provide assistance for customers wanting to make tax-exempt purchases during the Sales Tax Holiday for Hurricane Preparedness.**





# 2006 Sales Tax Holiday for Hurricane Preparedness

**May 21 through June 1, 2006**

For the period beginning 12:01 a.m., May 21, 2006, and ending at midnight, June 1, 2006, the 2006 Florida Legislature enacted and the Governor approved a tax-free period directing that: No sales tax shall be collected on specific items related to hurricane preparedness. The specific items must be in the price ranges specified on the list below.

## List of tax-exempt items

The following is a list of the specified items that will be tax free. If the sales price of a qualifying item exceeds the allowable threshold amount, the tax exemption will not apply and the total purchase price is subject to tax.

### Qualifying items selling for \$10 or less:

- Blue ice or those items sold as artificial ice

### Qualifying items selling for \$20 or less:

- Any portable self-powered light source
- Battery-powered flashlights
- Battery-powered lanterns
- Gas-powered lanterns (including propane, kerosene, lamp oil, or similar fuel)
- Tiki type torches
- Candles

### Qualifying items selling for \$25 or less:

- Any gas or diesel fuel container (including LP gas containers and kerosene containers)

### Qualifying items selling for \$30 or less:

- Batteries, including rechargeable (listed sizes **only**)
  - AAA-cell
  - AA-cell
  - C-cell
  - D-cell
  - 6-volt (excluding automobile and boat batteries)
  - 9-volt (excluding automobile and boat batteries)
- Coolers (food-storage; non-electrical)
- Ice chests (food-storage; non-electrical)

### Qualifying items selling for \$40 or less:

- Any cell phone charger

### Qualifying items selling for \$50 or less:

- Radios (self-powered or battery-powered)
- Two-way radios (self-powered or battery-powered)
- Weather band radios (self-powered or battery-powered)

- Tarpaulins (tarps)
- Visqueen, plastic sheeting, plastic drop cloths, and other flexible waterproof sheeting
- Ground anchor systems
- Tie-down kits (items that are advertised or normally sold as a tie-down or anchoring kit)
- Bungee cords
- Ratchet straps

### Qualifying items selling for \$60 or less:

- Any cell phone batteries

### Qualifying items selling for \$75 or less:

- Any carbon monoxide detectors
- Any package consisting of two or more of the previously listed qualifying hurricane-preparedness items sold for \$75 or less will qualify for the exemption.
- Any package consisting of one or more of the previously listed hurricane-preparedness items and at least one other item that is otherwise tax-exempt and the package is sold for \$75 or less will qualify for the exemption..

### Qualifying items selling for \$200 or less:

- Storm shutter devices (defined as materials and products specifically manufactured, rated, and marketed for the purpose of preventing window damage from storms)

### Qualifying items selling for \$1,000 or less:

- Portable generators that will be used to provide light, communications, or to preserve perishable food in the event of a power outage.



# For Information and Forms



Information and forms are available on our Internet site at

**[www.myflorida.com/dor](http://www.myflorida.com/dor)**



To speak with a Department of Revenue representative, call Taxpayer Services, Monday through Friday, 8 a.m. to 7 p.m., ET, at 800-352-3671 or 850-488-6800.



To receive forms by mail:

- Order multiple copies of forms from our Internet site at **[www.myflorida.com/dor/forms](http://www.myflorida.com/dor/forms)** or
- Fax your form request to the DOR Distribution Center at 850-922-2208 or
- Mail your form request to:  
Distribution Center  
Florida Department of Revenue  
168A Blountstown Hwy  
Tallahassee FL 32304-3702



For a written reply to your tax questions, write:

Taxpayer Services  
Florida Department of Revenue  
1379 Blountstown Hwy  
Tallahassee FL 32304-2716



Persons with hearing or speech impairments may call the TDD line at 800-367-8331 or 850-922-1115.



Department of Revenue service centers host educational seminars about Florida's taxes. To get a schedule of upcoming seminars or to register for one,

- Visit us online at **[www.myflorida.com/dor](http://www.myflorida.com/dor)** or
- Call the service center nearest you.

## Florida Department of Revenue Service Centers

### **Alachua Service Center**

14107 US Highway 441 Ste 100  
Alachua FL 32615-6390  
386-418-4444 (ET)

### **Clearwater Service Center**

Arbor Shoreline Office Park  
19337 US Highway 19 N Ste 200  
Clearwater FL 33764-3149  
727-538-7400 (ET)

### **Cocoa Service Center**

2428 Clearlake Rd Bldg M  
Cocoa FL 32922-5731  
321-504-0950 (ET)

### **Coral Springs Service Center**

Florida Sunrise Tower  
3111 N University Dr Ste 501  
Coral Springs FL 33065-5090  
954-346-3000 (ET)

### **Daytona Beach Service Center**

1821 Business Park Blvd  
Daytona Beach FL 32114-1230  
386-274-6600 (ET)

### **Fort Myers Service Center**

2295 Victoria Ave Ste 270  
Fort Myers FL 33901-3871  
239-338-2400 (ET)

### **Fort Pierce Service Center**

Benton Building  
337 N US Highway 1 Ste 207-B  
Fort Pierce FL 34950-4255  
772-429-2900 (ET)

### **Hollywood Service Center**

Taft Office Complex  
6565 Taft St Ste 300  
Hollywood FL 33024-4044  
954-967-1000 (ET)

### **Jacksonville Service Center**

921 N Davis St A250  
Jacksonville FL 32209-6829  
904-359-6070 (ET)

### **Key West Service Center**

3118 Flagler Ave  
Key West FL 33040-4602  
305-292-6725 (ET)

### **Lake City Service Center**

1401 W US Highway 90 Ste 100  
Lake City FL 32055-6123  
386-758-0420 (ET)

### **Lakeland Service Center**

230 S Florida Ave Ste 101  
Lakeland FL 33801-4625  
863-499-2260 (ET)

### **Leesburg Service Center**

1415 S 14th St Ste 103  
Leesburg FL 34748-6686  
352-315-4470 (ET)

### **Maitland Service Center**

Ste 160  
2301 Maitland Center Parkway  
Maitland FL 32751-4192  
407-475-1200 (ET)

### **Marianna Service Center**

4230 Lafayette St Ste D  
Marianna FL 32446-8231  
850-482-9518 (CT)

### **Miami Service Center**

8175 NW 12th St Ste 119  
Miami FL 33126-1828  
305-470-5001 (ET)

### **Naples Service Center**

3073 Horseshoe Dr S Ste 110  
Naples FL 34104-6145  
239-434-4858 (ET)

### **Orlando Service Center**

AmSouth Bank Building  
5401 S Kirkman Rd 5th Floor  
Orlando FL 32819-7911  
407-903-7350 (ET)

### **Panama City Service Center**

703 W 15th St Ste A  
Panama City FL 32401-2238  
850-872-4165 (CT)

### **Pensacola Service Center**

3670C N L St  
Pensacola FL 32505-5217  
850-595-5170 (CT)

### **Port Richey Service Center**

6709 Ridge Rd Ste 300  
Port Richey FL 34668-6842  
727-841-4407 (ET)

### **Sarasota Service Center**

Sarasota Main Plaza  
1991 Main St Ste 240  
Sarasota FL 34236-5940  
941-361-6001 (ET)

### **Tallahassee Service Center**

2410 Allen Rd  
Tallahassee FL 32312-2603  
850-488-9719 (ET)

### **Tampa Service Center**

Ste 100  
6302 E Martin Luther King Blvd  
Tampa FL 33619-1166  
813-744-6344 (ET)

### **West Palm Beach Service Center**

2468 Metrocentre Blvd  
West Palm Beach FL 33407-3105  
561-640-2800 (ET)

**CT—Central Time**  
**ET—Eastern Time**



**Florida Department of Revenue**  
**5050 W Tennessee St**  
**Tallahassee, FL 32399-0100**

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**Open Immediately:**  
**Hurricane Preparedness Sales Tax**  
**Holiday Information Enclosed**  
**May 21 through June 1**  
**2006**

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**Hurricane Preparedness Sales Tax**  
**Holiday Information Enclosed**  
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### **For Consolidated Accounts Only**

If you are a consolidated filer, only one TIP is being mailed to your business. This will enable you to communicate directly with each of your store locations. Please make certain you notify your individual store locations regarding this sales tax holiday and the specific provisions contained in this TIP.

Posters and copies of the TIP are available online @ **[www.myflorida.com/dor](http://www.myflorida.com/dor)**